

RETURN

(40a)

CORRESPONDENCE BY CABLE BETWEEN THE GOVERNOR GENERAL AND THE SECRETARY OF STATE FOR THE COLONIES, FROM AUGUST 1 TO AUGUST 15, 1914.

SECRET.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 1, 1914.

In view of the impending danger of war involving the Empire my Advisers are anxiously considering the most effective means of rendering every possible aid and they will welcome any suggestions and advice which Imperial Naval and Military authorities may deem it expedient to offer. They are confident that a considerable force would be available for service abroad. A question has been mooted respecting the status of any Canadian force serving abroad as under section sixty-nine of Canadian Militia Act the active militia can only be placed on active service beyond Canada for the defence thereof. It has been suggested that regiments might enlist as Imperial troops for stated period, Canadian Government undertaking to make all necessary financial provision for their equipment, pay and maintenance. This proposal has not yet been maturely considered here and my advisers would be glad to have views of Imperial Government thereon.

ARTHUR.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 1, 1914.

My Advisers while expressing their most earnest hope that peaceful solution of existing international difficulties may be achieved and their strong desire to co-operate in every possible way for that purpose wish me to convey to His Majesty's Government the firm assurance that if unhappily war should ensue the Canadian people will be united in a common resolve to put forth every effort and to make every sacrifice necessary to ensure the integrity and maintain the honour of our Empire.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 2, 1914.

With reference to your telegram 1st August, His Majesty's Government gratefully welcome the assurance of your Government that in the present crisis they may rely on wholehearted co-operation of the people of Canada.

HARCOURT.

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From the Secretary of State for the Colonies to the Governor General.

LONDON, August 3, 1914.

Moratorium for one month proclaimed here yesterday for bills of exchange accepted before August 4th. Tuesday, Wednesday and Thursday this week will be bank holidays in addition to usual bank holiday to-day, Monday.

HARCOURT.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 3, 1914.

With reference to your cypher telegram 2nd August, please inform your Ministers that their patriotic readiness to render every aid is deeply appreciated by His Majesty's Government, but they would prefer postponing detailed observations on the suggestion put forward, pending further developments. As soon as situation appears to call for further measures I will telegraph you again.

HARCOURT.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 4, 1914.

Please communicate to your Ministers following message from His Majesty the King and publish:

I desire to express to my people of the Overseas Dominions with what appreciation and pride I have received the messages from their respective Governments during the last few days. These spontaneous assurances of their fullest support recalled to me the generous self-sacrificing help given by them in the past to the Mother Country. I shall be strengthened in the discharge of the great responsibilities which rest upon me by the confident belief that in this time of trial my Empire will stand united, calm, resolute, trusting in God.

GEORGE R.I.

HARCOURT.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 4, 1914.

Following for the King:

"In the name of the Dominion of Canada I humbly thank Your Majesty for your gracious message of approval. Canada stands united from the Pacific to the Atlantic in her determination to uphold the honour and tradition of our Empire".

ARTHUR.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 4, 1914.

Though there seems to be no immediate necessity for any request on our part for an expeditionary force from Canada, I think, in view of their generous offer, your Ministers would be wise to take all legislative and other steps by which they would be enabled without delay to provide such a force in case it should be required later.

HARCOURT.

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From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 4, 1914.

Canadian millers and food exporters find difficulty in arranging shipments to Great Britain and enquire whether any measures are being taken to secure steady shipments of food products and to protect them. Large quantities food products available here for immediate export. My Advisers would be glad to have any available information.

ARTHUR.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 5, 1914.

With reference to your cypher telegram of yesterday, food shipments. As stated in House of Commons yesterday His Majesty's Government are inaugurating a scheme of state insurance for ships and cargoes based on report of committee, copy of which goes to you by mail. Every effort is being made to protect shipping.

HARCOURT.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 5, 1914.

My Government anxious to know time limit that should be given German Consuls to leave country.

ARTHUR.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 5, 1914.

With regard to your cypher telegram of to-day's date, all German Consuls should leave forthwith. They may be permitted to leave consulate clerk or other unofficial representative to arrange their personal affairs.

HARCOURT.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 5, 1914.

My Government being desirous of putting beyond doubt status of Canadian volunteers, request that His Majesty may be pleased to issue an order bringing these volunteers under Sections 175 and 176 of the Army Act.

ARTHUR.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 6, 1914.

With reference to my telegram of August 4th, His Majesty's Government gratefully accept offer of your Ministers to send expeditionary force to this country, and would be glad if it could be despatched as soon as possible. Suggested composition follows.

HARCOURT.

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From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 6, 1914.

My Advisers request me to inform you that the people of Canada through their Government desire to offer one million bags of flour of ninety-eight pounds each as a gift to the people of the United Kingdom to be placed at the disposal of His Majesty's Government and to be used for such purposes as they may deem expedient.

ARTHUR.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 7, 1914.

On behalf of the people of the United Kingdom, His Majesty's Government accept with deep gratitude the splendid and welcome gift of flour from Canada which will be of the greatest use for the steadyng of prices and relief of distress in this country. We can never forget the generosity and promptitude of this gift and the patriotism from which it springs.

HARCOURT.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 7, 1914.

My telegram of 6th August Army Council consider one division would be suitable composition of expeditionary force.

HARCOURT.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 7, 1914.

Following is summary of speech delivered by Prime Minister in House of Commons in proposing vote of one hundred million pounds for measures for security of country, conduct of naval military operations, assisting food supplies, promoting continuance of trade industry and business communication, and expenses arising out of existence of war. After referring to strenuous and persistent efforts to secure peace Prime Minister laid stress on communication made by German Chancellor July 29th in which he offered in return for British neutrality that Germany would not make territorial acquisition at expense of France but declined to give this assurance as regards French possessions; offered to respect neutrality of Holland but would only promise to respect Belgian integrity when war was over. Chancellor observed that English neutrality in present crisis might form basis for future understanding. This proposal in effect meant assent behind back of France to annexation by Germany of the whole of French extra European possessions and bartering away treaty obligations with regard to Belgian neutrality. The House had read the pathetic appeal of King of Belgium and when Belgians were fighting for their lives what would position of Great Britain have been if they had assented to this infamous proposal and what return would have been made for betrayal of friends and dis-honour of obligations? Nothing but a promise given by a Power which at the very moment was announcing its intention of violating its treaty and inviting us to do the same. If Government had temporised they would have covered themselves with dishonour and betrayed interests of the country of which they were trustees. Prime

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Minister referred to the offer of British Government if peace could be preserved and crisis passed to promote some agreement to which Germany could be a party by which she could be assured that no aggressive or hostile policy would be pursued against her or her allies by Britain, France, and Russia, jointly or separately. Earnestness and sincerity of this offer obvious. In spite of great provocation His Majesty's Government had persisted to the very last moment in efforts for peace and war had been forced upon them, but they had thought it their duty to go to war because they believed and the country believed that the cause was just. Great Britain was fighting in the first place to fulfil a solemn international obligation which in private life would have been regarded as an obligation not only of law but of honour, and, secondly, to vindicate the principle, that small nationalities were not to be crushed in defiance of international good faith by the arbitrary will of a strong and overmastering Power. No nation ever entered into a great controversy with a clearer and stronger conviction that it was fighting not for aggression, not for the maintenance of its own selfish interests, but in defence of principles the maintenance of which were vital to the civilisation of the world. It was essential that all the resources of the Empire should be thrown into the scale and for that purpose he asked for a vote of credit for one hundred millions and he announced the decision to add 500,000 men to the Army. The Government were encouraged to do this not only by their sense of necessity but by the knowledge that India was prepared to send certainly two divisions and that every one of the self-governing Dominions spontaneously and unasked had already tendered to utmost limits of their possibilities both in men and money every help they could afford the Empire in a moment of need.

HARCOURT.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 8, 1914.

Canadian Government desire to know what action His Majesty's Government desire Canadian authorities to take regarding Army Reservists in Canada, of which there are several thousand in Canada, registered at Imperial Pension Office, Ottawa. Are they to be sent home at once? I understand officer paying Imperial Pensioners and Reservists here is in position to provide transport for these men and funds if necessary.

ARTHUR.

From the Secretary of States for the Colonies to the Governor General.

LONDON, August 8, 1914.

Referring to my telegram 6th August Army Council state that a certain proportion of army troops will be required in addition to force mentioned. You will be furnished later on with suggested numbers.

HARCOURT.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 8, 1914.

The following is summary of war risks insurance scheme:

Firstly. Ships: Government scheme for war risks on ships is worked through war risk insurance association of ship owners already existing and every effort is

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being made to bring as many ships as possible into this association. Government scheme only applies re insurance of King's enemies risks. The object of scheme is to secure as far as practicable the maintenance in time of war of oversea trade. The Government is entering into an agreement with approved association to re-insure to the extent of eighty per cent all risks assumed by the association as far as they are King's enemy risks on the following terms:

- (1) On voyages current at the outbreak of war re-insurance will be without premium;
- (2) On such voyages ship must comply with as far as possible the orders of the Government and directions of the committee of the association to which it belongs as to routes, port of call and stoppages;
- (3) On voyages begun after the outbreak of war premium will be charged. This premium, which will not be less than one per cent nor more than five per cent upon voyage, will be fixed by Government.
- (4) On such last-mentioned voyages ships must
 - (a) comply as far as possible with the orders of the Government and directions of committee of the association to which it belongs as to the routes, port of call and stoppages;
 - (b) not start on a voyage if ordered by the Government not to do so.

Associations at present approved are United Kingdom Mutual War Risks Association, Limited, 24 Saint Mary Avenue, E.C.; London and Liverpool War Risks Insurance Association, Limited, 10 Water Street, Liverpool; North of England Protecting and Indemnity Association, Collingwood Buildings, Newcastle-upon-Tyne.

Secondly. Cargo: A War Risk Insurance Office has been opened in London for insurance of cargoes other than enemies' property or goods (export of which is prohibited by proclamation) shipped for voyages commenced on or after office opened for business. Cargo in British ship at the time of outbreak of war will be treated at port of call as though that port were a port of loading. Only risks which will be covered by King's enemy risks. Cargo will be insured only if shipped or to be shipped in vessel covered for voyage against King's enemy war risks under scheme outlined above for ships. Rate of premium will be flat one irrespective of voyage or cargo insured. It is capable of variation from time to time within maximum of five guineas percentage and minimum of one guinea percentage. If sailing is delayed under order of Government assured shall have option of cancelling policy and receiving back premium paid. Value of cargo for state insurance will be values agreed to in maritime insurance policies covering same cargo which policies will be produced at War Risks Insurance Office when insurance is finally arranged.

Thirdly. This scheme was framed primarily intended for ships continuously registered in United Kingdom, but His Majesty's Government have decided that benefits may be extended to colonial registered ships which are included in one of the above mentioned approved associations.

HARCOURT.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 8, 1914.

Canadian Government wish to place the two submarine boats now at Esquimalt at disposal of the Admiralty for general service. Please inform Admiralty.

ARTHUR.

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From the Secretary of State for the Colonies to the Governor General.

LONDON, August 9, 1914.

Following from Admiralty in reply to your telegram of yesterday's date.
Offer of submarine boats gratefully accepted by Admiralty.

HARCOURT.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 9, 1914.

No order having been received with reference to return of Army Reservists, would War Office allow them to enlist in Canadian Expeditionary Force which they are very anxious to do?

ARTHUR.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 9, 1914.

With reference to your telegram of August 7th His Majesty is graciously pleased to order that the troops offered by Canada shall be raised by Your Royal Highness for service as expeditionary forces. It is suggested that terms of attestation should be as follows:

(a) For a term of one year unless war lasts longer than one year, in which case they will be retained until war over. If employed with hospitals, depots of mounted units, and as clerks, etcetera, they may be retained after termination of hostilities until services can be dispensed with but such retention shall in no case exceed six months.

(b) To be attached to any arm of service should it be required of them. Men should be attested by magistrate.

HARCOURT.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 12, 1914.

Your telegrams 8th August and 9th August.

Army Council would be glad if all Army Reservists could be sent home by first opportunity.

If transport cannot be arranged at once they should return with Canadian Expeditionary Force.

HARCOURT.

From the Governor General to the Secretary of State for the Colonies.

OTTAWA, August 12, 1914.

Dominion Coal Company has received enquiries by cable from Norway, Sweden and Denmark for coal. Export to these countries has been prohibited at request of His Majesty's Government. Canadian press announces that Admiralty has given per-

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mission for shipment of coal from Great Britain to Norway and Italy. My Advisers desire to know as soon as possible whether permission can be given to export Canadian coal to countries mentioned.

ARTHUR.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 13, 1914.

Press Bureau has been established which will be responsible for issue of official war news to the press. I have ascertained that press agencies propose to supply Canadian press with all news of importance or general interest issued by Bureau. Any additional news which concerns your Government or if likely to affect their plans will, of course, be telegraphed to you by me.

HARCOURT.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 14, 1914.

August 14th. Your telegram August 12th no objection to exportation of coal to Norway, Sweden and Denmark.

HARCOURT.

Copy to Trade and Commerce.

From the Secretary of State for the Colonies to the Governor General.

LONDON, August 15, 1914.

August 15th. Owing to vigorous action taken here to deal with financial situation, particularly in regard to bills of exchange, conditions have become much easier and credit has greatly improved. Every hope that trade, home and foreign, will rapidly resume its normal course. Would be glad if your Ministers would make this public.

HARCOURT.